



Central Maine Power

August 1, 2003

Mr. Dennis Keschl
Administrative Director
Maine Public Utilities Commission
State House Station #18
Augusta, ME 04333-0018

Re: LAURIE A. DOWNS, ET AL VS. CENTRAL MAINE POWER COMPANY,
Request for Commission Investigation Into the New Central Maine Power
Company Transmission Line Proposal for Eliot, Kittery and York
Docket No. 2002-665

Dear Mr. Keschl:

Enclosed for filing in the above-captioned proceeding is a Stipulation resolving all the issues in this proceeding. This Stipulation is signed by CMP, the Public Advocate, Laurie Downs, the Towns of York, Kittery and Eliot, Richard and Kathleen Boston and Tracey Lacasse.

It is CMP's understanding from a discussion between CMP counsel and Scott Dunn, Town Manager of Ogunquit, that the Ogunquit will not sign the Stipulation because they are not scheduled to meet until Tuesday, August 5th. However, Mr. Dunn indicated that he will recommend that the town support the Stipulation. In addition, it is CMP's understanding from discussions with the OPA that the Town of South Berwick has not signed but does not oppose the Stipulation. Also, the Chairman of the York Conservation Commission has indicated to CMP's counsel that although the Conservation Commission will not meet prior to the deliberations the Chairman would recommend to the Conservation Commission that they support approval of the Stipulation.

Sincerely,

Kenneth W. Farber
Senior Counsel

Enclosures
cc: Service List, 2002-665

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line that would be built from the Bolt Hill Substation in Eliot, Maine to the York Harbor Substation in York, Maine (Docket No. 2002-665). Resident Laurie Downs is the lead complainant in this proceeding. The Complainants expressed doubts as to whether the proposed transmission line was needed and major concerns over the environmental and aesthetic impacts the proposed route would have on the town. On November 8, 2003, the Office of the Public Advocate filed a letter in support of the Complaint. Also on November 8, the Commission issued a Notice of Complaint and Petition to Initiate Investigation directing CMP to respond to both submissions within 10 days of its Notice. On November 18, 2002, CMP filed its Response urging the Commission to dismiss the Complaint and reject the OPA's Petition. CMP asserted that it had taken adequate steps to remove the cause of the Ten-Person Complaint and, therefore, such an investigation was not warranted and would only serve to disrupt and delay the local and state permitting processes to which the project is subject, and jeopardize the reliability and adequacy of electric service to Ogunquit, York, and Kittery customers. Subsequent comments were then filed by the OPA, Laurie Downs and CMP.

On January 24, 2003, the Commission issued an Order Initiating Formal Investigation. The Order concluded that the nature of the Complainants' allegations raise significant technical and perhaps policy issues, and that it could not conclude that the "causes of the complaint" had been removed until its technical staff had obtained and thoroughly reviewed the relevant information. Since the OPA's Petition essentially raised the same issues as the Complaint the two proceedings were consolidated under Docket No. 2002-665 for all purposes. Interventions were received, and subsequently granted, by the Towns of Kittery, York, South Berwick, Eliot and Ogunquit, the York Conservation Commission, Tracey Lacasse and Richard and Kathleen Boston.

On March 6, 2003, a Technical Conference was held whereby CMP made a presentation demonstrating why its planning process was reasonable, why there was an imminent need for system reinforcement in Southern York County, and outlining the various options and the reasons for choosing its alternative.

On April 18, 2003, after further discovery, the OPA, through its expert consultants, the PUC Staff and Laurie Downs each filed a report on their analyses. Each of the reports concluded that there was a need to upgrade the transmission system in Southern York County. The OPA recommended building a new transmission line from the Quaker Hill Substation, in parallel to the existing Sections 119 and 139, which is a variation of Option 3 discussed in the Draft Duke Energy Report: York County Transmission Line Alternatives Analysis, dated November 11, 2002.¹ In its report, the PUC Staff agreed that CMP's option was superior to the alternatives but noted that Option 3 might warrant further analysis and that CMP should consider ways to modify its preferred alternative to mitigate public concerns as much as possible.

A public hearing was held in York on May 7, 2003, whereby public opinion strongly supported the OPA's preferred option.

On June 23, 2003, CMP submitted its Rebuttal Testimony and associated Report. In its filing CMP further analyzed the option preferred by the OPA and also modified CMP's Preferred Alternative, taking into account the public comments and concerns and making changes to mitigate those concerns. CMP's Preferred Option is the subject of this Stipulation.

¹ Duke was retained by CMP to analyze the various alternatives CMP had in upgrading the York County Transmission system. The draft report outlined different variations of 7 options. Although CMP had not analyzed the results of the draft Duke report, the intervenors relied heavily on its findings.

THE PARTIES TO THIS STIPULATION STIPULATE AND AGREE THAT:

1. The Commission shall issue an Order finding as follows:

There is a demonstrated need to enhance the electrical system within the towns of York, Kittery, Eliot, and Ogunquit to ensure adequate transmission capacity and reliability for those towns as well as the region.

- a. CMP's proposed Southern York County Transmission Reinforcement Project as described in Attachment 1 (the "Project"), which was modified to mitigate environmental and land use implications and community impacts, is the best project to meet these electrical system needs, as compared to other alternatives that have been evaluated, when considering electrical capacity and reliability, and the reasonableness of the costs, and is necessary for the public welfare, convenience and necessity.
- b. The proposed route is safe, reliable, reasonably sized and properly located.
- c. All of the costs associated with the transmission line crossing the York River, as conceptually described in Attachment 1, along with the other transmission related costs of the Project shall be included in CMP's transmission rates in accordance with the terms and conditions contained in CMP's Open Access Transmission Tariff.
- d. This Docket shall remain open at the PUC for six months from the date this Stipulation is approved. In order for the Project to be constructed and operational for the summer of 2004, using standard construction design and field practices, CMP needs to receive all local permits by November 21, 2003. CMP will work in good faith to submit permit applications in a

timely fashion. If CMP has not received all necessary local permits by November 21, 2003, the Company shall have the right to request that the PUC rescind its Order approving this Stipulation.

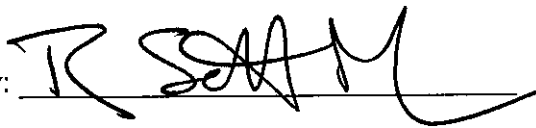
2. In designing the Project along the Route 1 corridor in York, CMP will consider and, where practicable, will implement measures to minimize significant adverse abutter, environmental and community impacts that might otherwise occur.
3. CMP will design and engineer the York Spur Road portion of the Project in such a way so as to accommodate a possible future request by the Town of York that CMP place the line underground at the Town's expense. CMP agrees to bury the transmission line along the Spur within one year of the Town of York's raising the necessary funds and notifying CMP of the request to bury the line. CMP will provide the York Town Manager with documentation explaining why alternative routes from the Turnpike to Route 1 north of the Spur are not feasible or cost effective.
4. The Parties, when possible, will work cooperatively to support and encourage the successful and timely transfer of necessary property rights to CMP, particularly from the Maine Turnpike Authority and the Maine Department of Transportation.
5. The Parties, when possible, will work cooperatively to support and encourage issuance of the necessary permits with reasonable conditions by the local, state, and federal permitting authorities in a timely fashion.

6. Should circumstances arise that cannot be resolved reasonably and timely during the local permitting process (including variances, appeals, etc.), the Parties acknowledge that CMP may request that the Commission waive any such specific zoning provisions as authorized by 30-A M.R.S.A. Section 4352(4).
7. The execution of this Stipulation by any Party shall not constitute precedent as to any matter of law or fact nor, except as expressly provided herein, shall it foreclose any of the Parties from making any contention or exercising any right, including rights of appeal, in any other Commission proceeding or investigation, or any other trial or action, or any subsequent action in this Docket pursuant to Paragraph 1(e).
8. The Parties intend that this Stipulation be considered by the Commission for adoption as an integrated solution to the issues addressed herein which arose in the above-captioned proceeding and as otherwise presented in this Stipulation. The Parties also intend that this Stipulation shall be null and void, and shall not bind the Parties in the above-captioned proceeding, in the event the Commission does not adopt this Stipulation without material modification.
9. If not accepted by the Commission in accordance with the provisions hereof, this Stipulation shall not prejudice the positions taken by any Party on these issues before the Commission in this proceeding and shall not be admissible evidence therein or in any other proceeding before the Commission.

10. The record for purposes of consideration of this Stipulation shall include: all written testimony, responses to data requests, and transcripts of hearing and technical conferences.

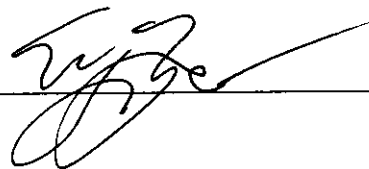
Dated: July 31, 2003

CENTRAL MAINE POWER COMPANY

By: 

Dated: July 31, 2003

THE PUBLIC ADVOCATE

By: 

Dated: _____

THE COMPLAINANTS

By: _____

Dated: 7/30/2003

THE TOWN OF YORK

Michelle Moody

By: Cassie H. Allen

Tobias H. Macdonald Jr.

-7- Michael Palermo



10. The record for purposes of consideration of this Stipulation shall include: all written testimony, responses to data requests, and transcripts of hearing and technical conferences.

Dated: _____

CENTRAL MAINE POWER COMPANY

By: _____

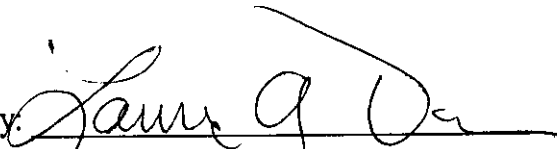
Dated: _____

THE PUBLIC ADVOCATE

By: _____

Dated: 7/30/03

THE COMPLAINANTS

By: 

Dated: _____

THE TOWN OF YORK

By: _____

Docket No. 2002-665

Stipulation

Dated: _____

THE YORK CONSERVATION COMMISSION

By: _____

Dated: _____

THE TOWN OF KITTERY

By: _____

Dated: July 31, 2003

THE TOWN OF ELIOT

By: Stephen R. Beckett
Chairman - Board of Selectmen

Dated: _____

THE TOWN OF OGUNQUIT

By: _____

Dated: _____

THE TOWN OF SOUTH BERWICK

Dated: _____

THE YORK CONSERVATION COMMISSION

By: _____

Dated: July 30, 2003

THE TOWN OF KITTERY

By: Philip O. McCarthy

Dated: _____

THE TOWN OF ELIOT

By: _____

Dated: _____

THE TOWN OF OGUNQUIT

By: _____

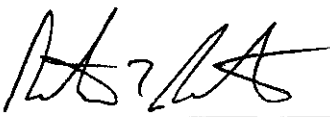
Dated: _____

THE TOWN OF SOUTH BERWICK

By: _____

Dated: 7-30-03

RICHARD AND KATHLEEN BOSTON

By: 
Kathleen W. Boston

Dated: 7/30/03

TRACEY LACASSE

By: 

ATTACHMENT 1

CMP's Preferred Option for the Southern York County Transmission

Reinforcement Project is intended to create a southern transmission loop by constructing a new line between the Bolt Hill Substation in Eliot and the York Beach area. This revised alignment addresses comments CMP has received and mitigates the public's concerns about its Preferred Option, while maintaining CMP's planning criteria goals.

The Bolt Hill Substation would be reconfigured as described in detail in EX-01-03 Attachment 4. A new 115/34.5 kV, 20/37 MVA transformer would be added and run in parallel with the existing unit. A new 34.5 kV transmission circuit (designated Section 178) would exit Bolt Hill Substation on a new right-of-way (ROW) that has been held for power line use for some time but never cleared (segment A-B). The line would then utilize an existing generally cleared ROW, replacing an existing 12.47 kV distribution circuit (segment B-C-D). The line continues along this existing ROW to the new Kittery Substation site off Piccott Rd.

The new Kittery Substation would be designed for an eventual transformer capacity of 23 MVA and three 12.47 kV distribution circuits. Initially a 34.5/12.47 kV, 10/14 MVA transformer and two 12.47 kV distribution circuits will be installed. The primary voltage portion of this station would be built to 69 kV clearances and standards. Provisions for future 72 kV transmission line circuit breakers would be incorporated into the design. The 12.47 kV distribution reclosers would include modern microprocessor controls, with the ability to program under frequency and under voltage load shedding logic.

Section 178 would continue from the Kittery Substation, along the westerly side of the Maine Turnpike Authority (MTA)¹ corridor (segment D-E) to the area just south of the York River. The line will cross the Turnpike aerially to the easterly side approximately 600 feet south of the Turnpike bridge. An underground segment will begin on a riser structure approximately 300 feet from the bridge abutment. The river crossing will utilize an underground cable and duct system, attached to the downstream side of the MTA bridge. The underground segment will continue along the easterly side of the Turnpike to a second riser approximately 1000 feet from the bridge abutment. The line continues in an overhead configuration to the Bragdon Commons Substation site in York.

The Bragdon Commons Substation design would be similar to the Kittery station, except that the 72 kV transmission line circuit breakers would be installed. This will provide the termination point of Section 178, and provide electrical isolation for faults on Section 178 or 139. A 34.5/12.47 kV, 5/7 MVA transformer and one 12.47 kV distribution circuit will be installed.

A new transmission line (designated Section 139) would begin at the Bragdon Commons Substation and continue north along the easterly side of the MTA corridor to the York spur road. The line would be built along the north side of the spur road to Route 1 (segment E-F). The line then would continue north along Route 1 in a distribution over-build configuration, to the intersection of the existing Section 139 line (segment F-G-T). The new line would then continue east along the existing ROW to the intersection of the portion of Section 139 line that supplies the York Harbor Substation (segment T-

¹ The proposed route along the entire MTA corridor is subject to the approval of MTA and in addition, for certain sections, approval of the Maine Department of Transportation.

U). This will provide a loop connection for York Beach Substation; however, York Harbor would remain on the existing radial portion of Section 139. This portion to York Harbor (segment U-H-I) would be re-designated Section 139A.

No modifications would be made to the York Harbor Substations with the exception of upgrading existing recloser controls to modern microprocessor controls, with the ability to program under frequency and under voltage load shedding logic. Transmission line circuit breakers for Section 139 and 139A would be located at the Bragdon Commons and Ogunquit Substations. Faults on Section 139 and 139A would result in the loss of both York Beach and York Harbor Substations.

No additional transmission line additions or modifications are included in this option. All new transmission lines would be constructed to 69 kV standards, but operated at 34.5 kV. Line construction will utilize 477KCM ACSR conductor.

At the Ogunquit Substation, an additional 72 kV circuit breaker would be added to Section 119 to allow isolation of faults on Section 119. At Quaker Hill Substation, the existing circuit breaker on Section 119 would be replaced with a higher capacity 72 kV circuit breaker.

A map of southern York County with this CMP Preferred Option is shown below:

